

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF  
SIERRA LAKES COUNTY WATER DISTRICT**

**Date:** Friday November 10, 2017 / **Time:** 6:00 p.m. / **Place:** 7305 Short Road, Serene Lakes, CA

**I. Open Meeting:**

Roll Call: Directors in attendance at the Sierra Lakes Boardroom were:

Director Michael Lindquist  
Director Dan Stockton  
Director Karen Heald  
Director Bill Oudegeest

Director Simpson participated by teleconference from 3326 Kipling St. Palo Alto, CA, pursuant to Government Code Section 54953.

Staff members present:        Bill Quesnel, General Manager  
   Anna Nickerson, Financial Consultant

Staff member present by phone: Jeff Mitchell, District Counsel

Guests present were:        Colleen Hogan, Serene Lakes Property Owner

Minute Recorder:        Anna Nickerson, Financial Consultant

**II. Public Forum:** An opportunity for members of the public to address the Board on items that were not on the agenda. There were no public comments.

**III. Approve Agenda:**

The agenda was presented to the Board for approval.

**A motion was made by Director Oudegeest and seconded by Director Heald to approve the agenda.** The motion passed by a roll call vote: Ayes: Directors Simpson, Lindquist, Stockton, Heald and Oudegeest. Noes: none. Abstentions: none. Absent: none.

**IV. Public Comments:** An opportunity for the Board to consider comments received from the public after the agenda was posted, regarding items on the agenda. There were no public comments received after the agenda was posted.

**V. Lake Management:**

A. Mr. Quesnel's memorandum titled "Application for New Pier, 3209 Lake Drive.", dated November 3, 2017, was presented to the Board for consideration and possible action. Mr. Quesnel said the application was for a Pier D'Nort to be shared by two addresses on Lake Drive.

He said staff recommended approval of the dock as it met all of the District's requirements in regard to materials and finishes.

**A motion was made by Director Oudegeest and seconded by Director Heald to approve Mr. Hall's application.** The motion passed by a roll call vote: Ayes: Directors Simpson, Lindquist, Stockton, Heald and Oudegeest. Noes: none. Abstentions: none. Absent: none.

## **VI. Operations:**

A. Mr. Quesnel's operations report was presented to the Board for consideration and possible action. Director Oudegeest asked for the location of the fuel tank mentioned in the fuel tank paragraph. Mr. Quesnel said there was on fuel tank at the corner of Serene and Kilborn and another on Donner near Summit. Mr. Quesnel said the fuel tank on Serene Road had been closed but the tank on Donner had some residual contamination. However, it was the opinion of the State and County that the contamination was due to sloppiness when filling the tank. Director Oudegeest then asked if Mr. Quesnel reached an agreement with the State in regard to the fuel spill at the Bales site. Mr. Quesnel said they agreed that the owner's engineer could submit a closure report based on the low threat criteria but that the best management practices to stop water from running off the site onto the strip, and maybe into the lake, would stay in place until the hole was filled. He also said monitoring would continue on a quarterly basis through the winter.

Director Simpson said he would like to see Mr. Quesnel proceed with the use of the ground penetrating radar if there was still an opportunity to do so. He didn't feel the radar would be too sensitive to small amounts of snow or ice on the ground. Mr. Quesnel said he would contact the company and see if he could get it scheduled.

Mr. Quesnel reported that 10 leaks have been detected by the 100 autonomously reporting meters recently installed. Director Lindquist said 10% wasn't too bad; Davis had a 17% leak rate in similar circumstances. Mr. Quesnel said he still felt most of the problems were with stop&drain valves.

Director Oudegeest reported that there was a hole in the street on Soda Springs Road at Serene Rd.; it appeared that there was a missing a lid. He said it looked like there was a valve or something in the hole and that it should be covered up.

Director Lindquist said he felt the fuel tank program was a big success with the removal of a couple of tanks. He thanked everyone for all their hard work on the Fuel Tank Legislation.

## **VII. Consent Items Calendar:**

The Consent Items Calendar was presented to the Board for action. The Consent Items Calendar included the minutes from the October 13, 2017, Regular Meeting, the October 2017 Check Register, Disbursements for Board Approval and October 2017 Financial Reports.

**A motion was made by Director Heald and seconded by Director Oudegeest to approve the Consent Items.** The motion passed by a roll call vote: Ayes: Directors Simpson, Lindquist, Stockton, Heald and Oudegeest. Noes: none. Abstentions: none. Absent: none.

### **VIII. New Business:**

A. Mrs. Nickerson's memorandum titled "Fiscal Year 2016/2017 Annual Audit Report", dated November 3, 2017, was presented to the Board for consideration and possible action. Mr. Mitchell said the Board needed a motion to accept the audit report. Director Heald said she read the report and did not see anything that caused concern.

**A motion was made by Director Oudegeest and seconded by Director Heald to accept the 2016/2017 Audit Report.** The motion passed by a roll call vote: Ayes: Directors Simpson, Lindquist, Stockton, Heald and Oudegeest. Noes: none. Abstentions: none. Absent: none.

### **IX. Old Business:**

A. Mr. Quesnel's memorandum titled "District Ordinance Update", dated November 3, 2017, was presented to the Board for consideration and possible action. Mr. Quesnel said the document had last been reviewed in May and that since then, he had incorporated comments from Director Simpson and Mr. Mitchell. Mr. Quesnel also said Director Simpson's version (copy attached), with corrections and comments, had been distributed earlier in the day. Mr. Quesnel then suggested that the Board start with Director Simpson's version and add any additional comments.

The Board agreed to go page by page, stopping for comments and discussion. Director Heald asked Mr. Mitchell to review the claim procedures in Section 2.18. She said the section referenced a lot of code and wasn't sure if it all reconciled. She also noted that the document referenced "title holder", "owner" and "customer" and thought they were probably all the same. Director Lindquist confirmed that the District's relationship was only with the owner and not with a tenant. Director Heald suggested that terms "customer" and "title holder" be replaced with "owner" for clarity. She also noted that the term "tenant" only pertained to notices.

The Board discussed the need to notify every owner of a property of delinquent charges. Mrs. Nickerson said when a property was sold, service gets transferred into the name of the person on the recorded grant deed. Mr. Mitchell said he didn't see the need to make any changes to the current process but said a lien could be challenged by an owner that didn't receive a notice. He also thought the fact that service was transferred into the name of the person on the grant deed could be an adequate response.

Mr. Quesnel confirmed that he would replace the term "customer" with "owner" throughout the document. Mr. Mitchell suggested that it say somewhere in the Code that only the owner can be the customer.

The following is a list of changes/outcomes:

- Page 92 – Omit "hereafter" and the Board agreed not to add "physically. Section 2.05 Order of Business was removed based on Mr. Mitchell's suggestion.
- Page 94 – Item D, remove subsection (1) separation. Make one paragraph.

- Page 95 – Add “or invalid” after “unconstitutional”. Section 2.16 “days” will be clarified in the definitions as “calendar days” and carried throughout the document. Mr. Mitchell to review section 2.18 Local Claims Procedures.
- Page 97 - Revise Section 3.01: Except as otherwise as may be provided in the code, notices from the District to the owner...
- Page 98 - Section 4.02 – the Board discussed when water/sewer service fees should commence. The consensus of the Board was to accept the language as presented.
- Page 99 - “Utility ordinance” changed to “District Code”, “disconnect the premises” changed to “take any actions necessary to terminate water & sewer services”, Sections 4.04 & 4.05 “defendant(s)” changed to “owner” and Section 4.09 refer to Section 4.01 if redundant otherwise make necessary changes.
- Page 100 - Section 4.11 change \$25.00 to “actual cost”. Section 4.13 change to reflect that the Manager will determine that the fees be waived for an inhabitable structure.
- Page 101 - Section 5.02 changed to “terminating water and sewer service”.
- Page 102 - Substitute “customer” with “owner”.
- Page 104 - Immediate action would be taken for unsafe apparatuses, cross-connections and fraud or abuse. Section 5.02 to reflect “actual” costs.
- Page 105 – Removed the work “underground” tanks and leave as heating oil tanks. Separate section as noted by Director Simpson. A section will be added to the Code for the HOTFaP legislation that takes effect in January 2018.
- Page 108 - Director Oudegeest noted that Section 10.11 – water pipes installed within exterior of building was not being enforced. The section would be removed.
- Page 109 - Section 10.16, (a) will become a separate paragraph the remaining items will be subsections.
- Page 110 - Add even/odd watering days to water conservation.
- Page 111 - Add “subject to administrative action up to termination of service”.
- Page 122 – Left as presented, should Royal Gorge ever install a kitchen, section will be necessary.
- Page 124 – Change \$50.00 fee to actual cost.
- Page 125 – Add 22.15 “negligence and willful misconduct”. Section 22.14 change customer to owner and omit everything after that point. Change Section 22.18 to 50% of habitable space (carry change to water section).
- Page 126 – Standardize language in section (h).
- Page 128 – Section 23.03 change “completion” to “approval”. Section 23.05 add “county” in front of permit.
- Page 133 – Director Heald to review SLPOA contract to determine what rules apply or don’t apply to SLPOA.
- Page 134 – Section 30.09 prohibited “except fishing”.
- Page 135 – Section 30.11 add property. Add “Appendix” A Pier & Dock rules to the Code. Change Section 30.15 as proposed.
- Page 136 – Section 31.01 omit language as suggested.

Mr. Quesnel will make the changes and send out a version tracking the changes.

## **X. Administration:**

A. The list of Follow-up Items from the October 13, 2017 board meeting was presented to the Board for consideration and possible action. All items were complete. Director Stockton said,

based on his research, it would not be a good idea to change health insurance; he felt CalPERS health insurance made the most sense. Therefore, he said he would not be submitting recommendations.

B. The Status of Action Items remaining as of the November 2017 Board meeting was presented to the Board for consideration and possible action. Mr. Quesnel updated the Board on the status. No changes were made.

## **XI. Adjournment**

**A motion was made by Director Lindquist and seconded by Director Heald to adjourn the meeting.** The motion passed by a roll call vote: Ayes: Directors Simpson, Lindquist, Stockton, Heald and Oudegeest. Noes: none. Abstentions: none. Absent: none.

The minutes were approved at the Regular Meeting held on December 8, 2017, as part of the Consent Items Calendar. A motion was made by Director Simpson and seconded by Director Oudegeest to approve the Consent Items Calendar. The motion passed by a unanimous vote.